



CALCULATING DEPOSITS AND SECURITIES

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DEPOSIT REQUIREMENTS FOR INTERCONNECTION REQUESTS IN THE SPP GI QUEUE

Under the SPP Tariff, Attachment V, “Generator Interconnection Procedures” there are several requirements to provide Cash Study Deposits and Financial Securities. This presentation seeks to summarize those requirements.

- Cash Study Deposits (per Section 8.2.b (1-4))
- Financial Security One (per Section 8.2.f)
- Financial Security Two (per Section 8.5.1.a or .b)
- Financial Security Three (per Section 8.5.2)
- Payments associated with Generation Interconnection Construction costs

Consider the following slides for a better understanding

CASH STUDY DEPOSIT REQUIREMENT

Under SPP Tariff Attachment V, Section 8.2.b the Cash Study Deposit is a one-time fee submitted by the customer along with the Generator Interconnection Request Agreement Appendix 3 and Attachment A, B and C forms. The amount of the Study Deposit is based on the generating facility size in Megawatts (MW), as shown below:

- 0 to 2 MW = \$25,000
- >2 to 20 MW = \$35,000
- >20 to <75 MW = \$50,000
- \geq 75 MW = \$90,000

If at any point Study Costs exceed Study Deposits on hand, SPP will invoice Interconnection Customer for additional monies to cover those additional Study Costs.

FINANCIAL SECURITY ONE (FS1)

The FS1 payment is due along with the Generator Interconnection Request (GIR) Application prior to the DISIS Queue Cluster Window. Its calculation is based on the generating facility size in Megawatts (MW), as shown below:

FS1 = Equal to \$2000/MW

Example: If a GIR is submitted for 250 MW. The financial security one required to enter the DISIS Study is $250 \text{ MW} \times \$2,000/\text{MW} = \$500,000$.

Note: Financial Securities may be covered through Cash or Letter of Credit. If the GIR is withdrawn at any point before the end of Decision Point One in the DISIS Queue Cluster Study, then FS1 shall be refunded.

FINANCIAL SECURITY TWO (FS2)

The FS2 payment is due before the end of Decision Point One in the DISIS Queue Cluster Study. FS2 is the greater of:

- 10% of FS2 Cost Factor*, less the amount of FS1 provided to enter Phase One;
or
- Equal to \$2000/MW of the requested capacity advancing to DISIS Phase Two

*See Sections 8.5.1 and 4.2.2 of [Attachment V Generator Interconnection Procedures \(GIP\)](#) for FS2 Cost Factor Calculation.

Note: Financial Securities may be covered through Cash or Letter of Credit. If the GIR is withdrawn at any point before the end of Decision Point Two in the DISIS Queue Cluster Study, then FS2-FS3 shall be refunded.

FINANCIAL SECURITY THREE (FS3)

The FS3 payment is due before the end of Decision Point Two in the DISIS Queue Cluster Study.

Financial Security Three is equal to 20% of total upgrade costs allocated to the GIR, less the amount provided for FS1 and FS2.

Cost of upgrades to mitigate Affected Systems impacts is excluded from FS3.

Note: Financial Securities may be covered through Cash or Letter of Credit. If the GIR is withdrawn at any point before the end of Decision Point Two in the DISIS Queue Cluster Study, then FS2-FS3 shall be refunded.

IMPACT OF RE-STUDY ON STUDY DEPOSIT

Any required re-study of the Definitive Interconnection System Impact Study (DISIS) will result in Re-Study Costs. Cost of the Re-study, in accordance with Section 8.8 of [Attachment V, Generator Interconnection Procedures \(GIP\)](#), is borne by customer(s) being restudied in the DISIS.

IMPACT OF RE-STUDY ON FINANCIAL SECURITY THREE (FS3)

Interconnection Customer being restudied may withdraw it's
Interconnection Request after Re-study and evaluation of refund or
forfeiture will be made in accordance with Sections 8.14 and 13.3 of
[Attachment V Generator Interconnection Procedures \(GIP\)](#).

RESOURCES

[Presentation - Three Phase GI Study Process Education Session-September 19, 2019](#)

[Overview of the new Three-Phase GI Study Process](#)

[SPP GI Queue](#)

[Guidelines for the SPP GIP Process and Business Practices](#)

[Study Results and Report Postings](#)

[SPP Site Control Criteria](#)

[GI Study Cluster Weekly Status](#)

[Generation Interconnection Studies Exploder](#) registration page

[SPP Tariff Attachment V "Generator Interconnection Procedure"](#)

[SPP's Request Management System.](#)

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